

Petroglyph Operating Co., Inc.
P.O. Box 1839
Hutchinson, KS 67504-1839

February 7, 2003

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

Re: APPLICATION FOR PERMIT TO DRILL
SO UTE TRIBAL #33-09-08
NE/SE, SEC. 33, T4S, R3W
DUCHESNE COUNTY, UTAH
LEASE NO.: BIA 14-20-H62-4736
SURFACE OWNER: Private

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,



Ed Trotter
Agent
Petroglyph Operating Co., Inc.

Attachments

001

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

Oil

Gas

Well ☐

Well ☒

Other

Single

Zone ☒

Multiple

Zone ☐

2. Name of Operator

PETROGLYPH OPERATING CO., INC.

3. Address and Telephone Number

P.O. BOX 607, ROOSEVELT, UT 84066

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At surface

1942' FSL, 165' FEL

NE/SE

4437832Y

40.09003

566659X

-110.21808

At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office

15.4 MILES SOUTHWEST OF MYTON, UTAH

Distance from proposed

location to nearest

property or lease line, ft.

165'

(Also to nearest drig. Unit line, if any)

18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft.

21. Elevations (show whether DF, RT, GR, etc.)

5838.1 FEET UNGRADED GROUND

16. No. of acres in lease

617.20

19. Proposed depth

3000'

5. Lease Designation and serial number

BIA-14-20-H62-4736

6. If Indian, allottee or tribe name

FEE

7. Unit Agreement name

14-20-H62-4650

8. Farm or lease name, well no.

SO UTE TRIBAL 33-09-08

9. API well no.

43013-32432

10. Field and pool, or wildcat

ANTELOPE CREEK

11. Sec., T., R., M., or BLk. And survey area

SEC. 33, T4S, R3W

12. County or parish

DUCHESNE

13. State

UTAH

17. No. of acres assigned to this well

2.5

20. Rotary or cable tools

ROTARY

22. Approx. date work will start

UPON APPROVAL

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	J-55	8 5/8"	24#	1100'	385 SX NEAT CEMENT WITH 30% SILICA FLOUR
6 1/4"	J-55	4 1/2"	11.6#	3000'	270 SX NEAT CEMENT WITH 30% SILICA FLOUR

SEE ATTACHMENTS FOR:

8 POINT PLAN

SURFACE USE AND OPERATING PLAN

LOCATION PLAT

LOCATION LAYOUT

TOPOGRAPHIC MAPS "A", "B", C AND "D"

CONFIDENTIAL

RECEIVED

FEB 25 2003

DIV. OF OIL, GAS & MINING

Pc: UTAH DIVISION OF OIL, GAS, AND MINING

BUREAU OF INDIAN AFFAIRS, FORT DUCHESNE, UTAH

PETROGLYPH OPERATING CO., INC. WILL BE THE
DESIGNATED OPERATOR OF THE SUBJECT WELL
UNDER BOND #BO 4556.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

[Signature]

TITLE Agent

DATE 2-14-2003

(This space for Federal or State office use)

PERMIT NO.

43-013-32432

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

[Signature]

BRADLEY G. HILL
ENVIRONMENTAL SCIENTIST III

DATE

09-08-04

Federal Approval of this
Action is Necessary

T4S, R3W, U.S.B.&M.

S89°55'W - 80.50 (G.L.O.)

PETROGLYPH OPERATING CO., INC.

Well Location, SO UTE TRIBAL #33-09-08, located as shown in NE 1/4 SE 1/4 of Section 33, T4S, R3W, U.S.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 33, T4S, R3W, U.S.B.&M. TAKEN FROM THE MYTON SW, QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5938 FEET.

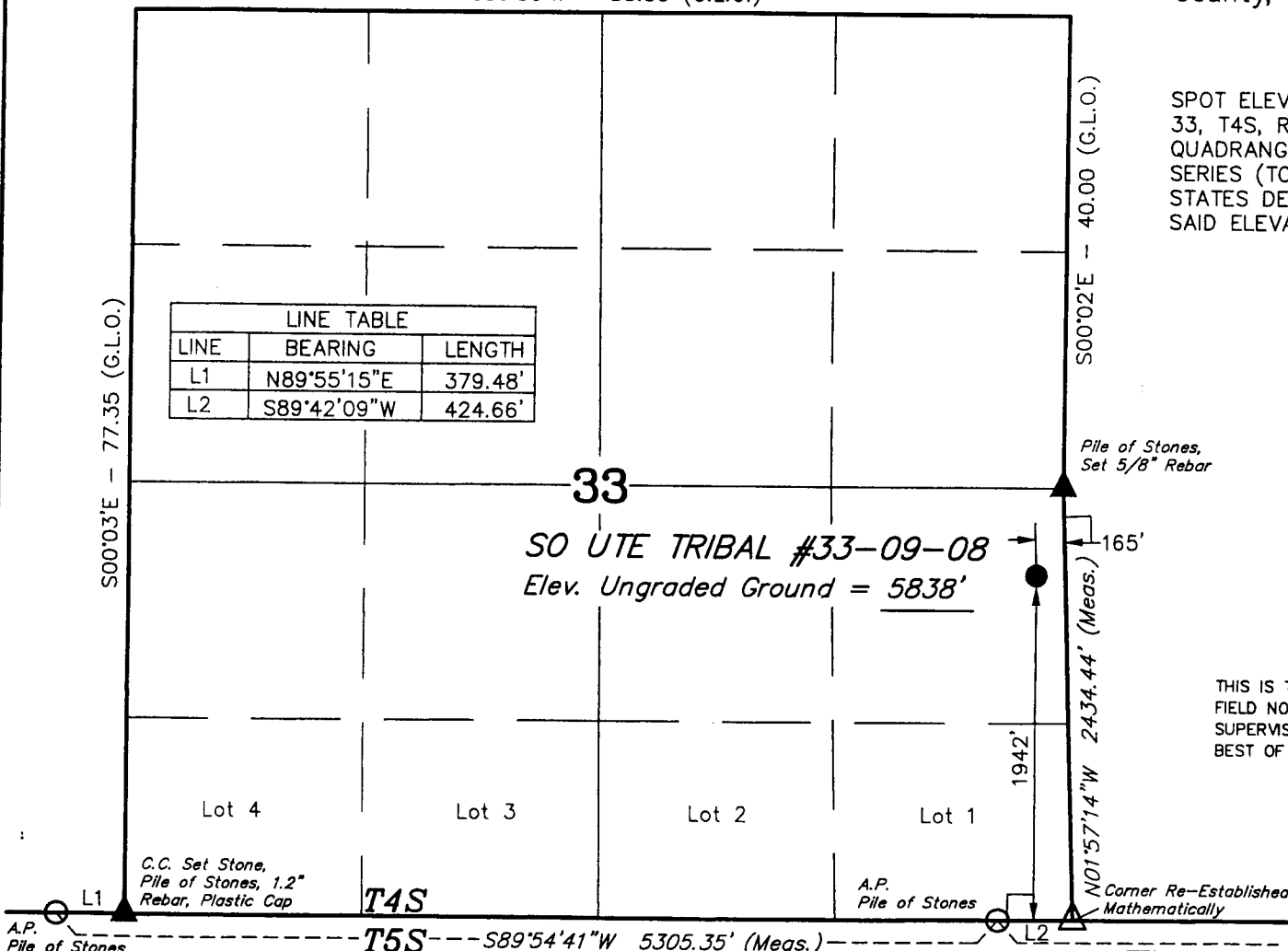


SCALE
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Corner Re-Established Mathematically



LINE TABLE		
LINE	BEARING	LENGTH
L1	N89°55'15"E	379.48'
L2	S89°42'09"W	424.66'

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED. MATHEMATICALLY. (Not Set on Ground)
- = ANGLE POINT

NOTE:

BASIS OF BEARINGS IS THE EAST LINE OF THE NE 1/4 OF SECTION 5, T5S, R3W, U.S.B.&M. WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR N00°02'E

(AUTONOMOUS NAD 83)

LATITUDE = 40°05'24.14" (40.090039)

LONGITUDE = 110°13'08.53" (110.219036)

UTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 12-12-02	DATE DRAWN: 12-17-02
PARTY G.O. B.C. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE PETROGLYPH OPERATING CO., INC.	

**EIGHT POINT PLAN
SO UTE TRIBAL 33-09-08
NE/SE, SEC. 33, T4S,R3W, U.S.B.&M.
DUCHESNE COUNTY, UTAH**

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

FORMATIONS	DEPTH	SUBSEA
Total Depth	3000	
Anticipated BHP		

2. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS FORMATIONS:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Oil/Gas	<i>Winton</i>	3000	

3. PRESSURE CONTROL EQUIPMENT: 2000 psi stack on 6 1/4" hole.

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>MINIMUM SAFETY FACTOR</u>		
						<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
12 1/4"	0 – 1100'	1100'	8 5/8"	24 #	J-55	1370 PSI	2950 PSI	381,000#
6 1/4"	1100' - TD	3000'	4 1/2"	11.6#	J-55	4960 PSI	5350 PSI	184,000#

All casing will be new or inspected.

5. MUD PROGRAM

<u>INTERVAL</u>	<u>MUD TYPE</u>
0' – 3000'	Air & Air/Mist

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. VARIANCE REQUESTS:

- A. Petroglyph Operating Company, Inc. requests a variance to regulations requiring a straight run blooie line.
- B. Petroglyph Operating Company, Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line.

**EIGHT POINT PLAN
SO UTE TRIBAL 33-09-08
NE/SE, SEC. 33, T4S,R3W, U.S.B.&M.
DUCHESNE COUNTY, UTAH**

7. EVALUATION PROGRAM:

Logs: Triple Combo
Cores: None Programmed
DST: None Programmed
Completion: To be submitted at a later date.

8. ABNORMAL CONDITIONS:

None anticipated.

9. STANDARD REQUIRED EQUIPMENT:

None Required

10. HAZARDOUS CHEMICALS:

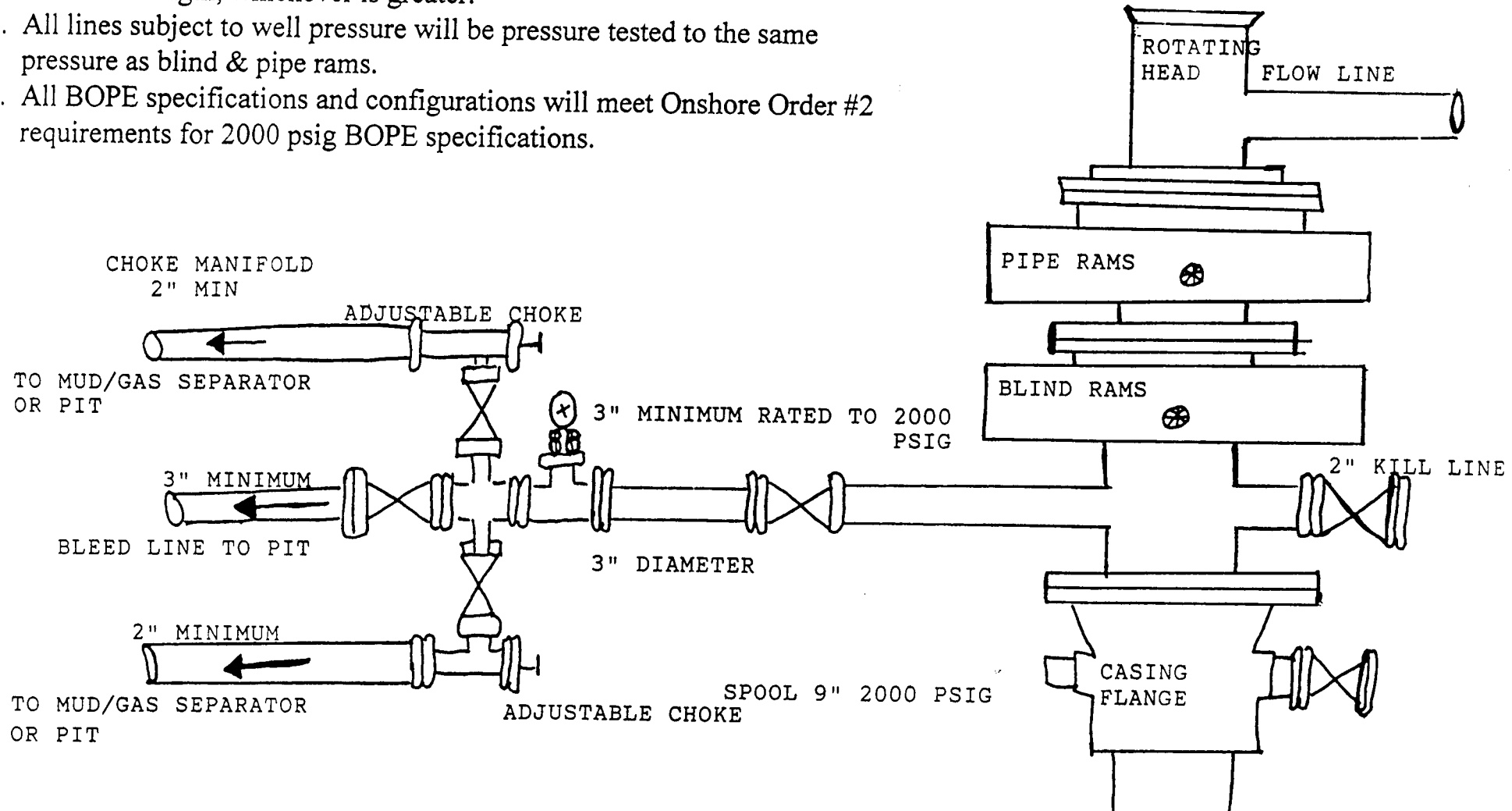
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

2000 PSIG DIAGRAM

BOTH RAMS ARE 2000 PSIG RATED.
CASING FLANGE IS 9" 2000 PSIG RATED.
BOPE 9" 2000 PSIG

TESTING PROCEDURE:

1. BOPE 's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind rams will be tested to rated working pressure, 2000 psig
3. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be pressure tested to the same pressure as blind & pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 2000 psig BOPE specifications.



**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator: Petroglyph Operating Co., Inc.
Well Name & Number: So Ute Tribal #33-09-08
Lease Number: 14-20-H62-4736
Location: 1942' FSL & 165' FEL, NE/SE, Sec. 33, T4S,R3W,
U.S.B.&M., Duchesne County, Utah
Surface Ownership: Fee

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction
of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to
spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running
casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running
casing and tests.

First Production
Notice - within five (5) business days after new well
begins or production resumes after well
has been off production for more than
ninety (90) days.

For more specific details on notification requirements, please check the Conditions of
Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 15.4 miles southwest of Myton, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 110 feet in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, Petroglyph Operating Co., Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

- A. Abandoned wells – 2*
 - B. Temporarily abandoned wells – 4*
 - C. Producing wells - 5*
 - D. Shut in wells – 1*
- (*See attached TOPO map “C” for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

- 1. Tank batteries - None
- 2. Production facilities - None
- 3. Oil gathering lines - None
- 4. Gas gathering lines - None
- 5. Injection lines - None
- 6. Disposal lines - None
- 7. Surface pits - None

B. **OFF WELL PAD**

Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

5. **LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Target Trucking’s Roosevelt Brine Storage and/or Target’s water source in SE ¼, Sec. 1, T4S, R5W, Duchesne County, Utah (State Water Right #43-10152). All water will come from a non-depletable source.
- B. Water will be hauled by a licensed Trucking Company.
- C. No water well will be drilled on lease.

6. **SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from private Land.

C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.
2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Roosevelt sewage disposal plant.
3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at an approved waste disposal facility.
4. Produced waste water will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

Burning of trash will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

8. ANCILLARY FACILITIES

A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

Tanks will be used in place of a reserve pit.

Access to the well pad will be from the South.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- C. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be reshaped to the approximate natural contours.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment.

11. SURFACE OWNERSHIP

Access road: Fee

Location: Fee

Additional Surface Stipulations

None

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING

Ed Trotter

P.O. Box 1910

Vernal, UT 84078

Telephone: (435)789-4120

Fax: (435)789-1420

OPERATIONS

Steve Wall

P.O. Box 607

Roosevelt, UT 84066

(435)722-2531

(435)722-9145

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. Petroglyph Operating Co., Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Petroglyph Operating Co., Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

2-7-2003

Date


Agent

PETROGLYPH OPERATING CO., INC.

SO UTE TRIBAL #33-09-08

LOCATED IN DUCHESNE COUNTY, UTAH

SECTION 33, T4S, R3W, U.S.B&M.

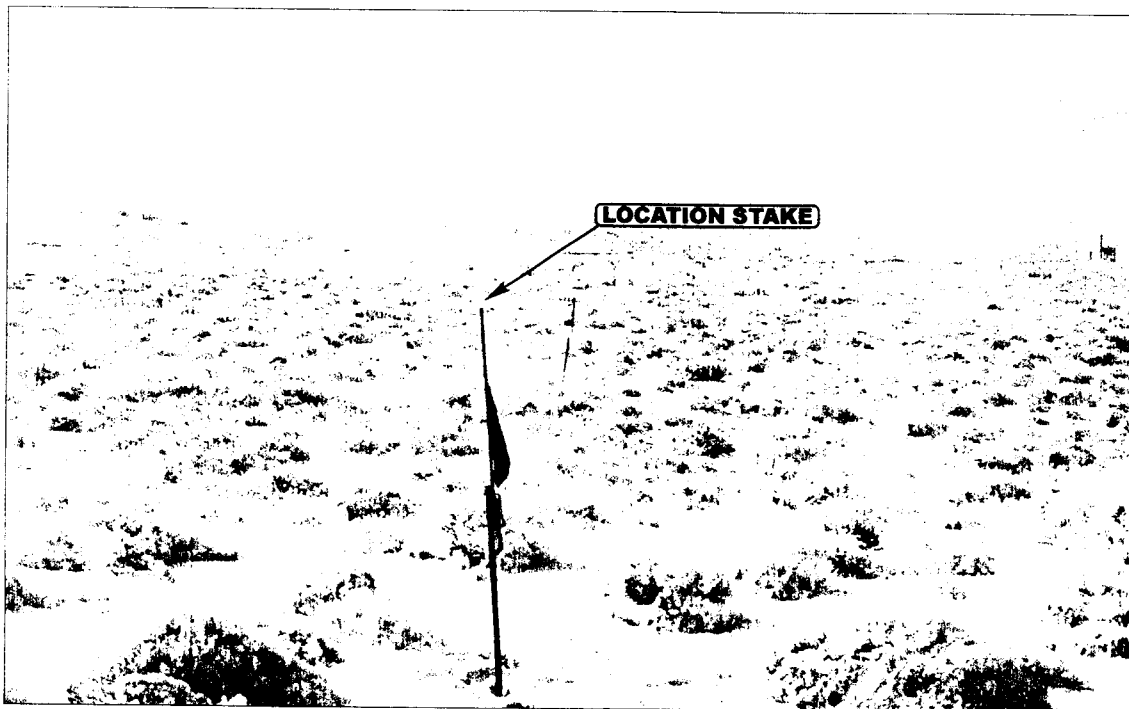


PHOTO: VIEW OF WELL LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

12
MONTH

13
DAY

02
YEAR

PHOTO

TAKEN BY: G.O.

DRAWN BY: J.L.G.

REVISED: 00-00-00

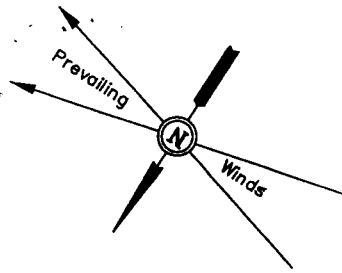
P.L. ROGLYPH OPERATING CO., INC.

LOCATION LAYOUT FOR

SO UTE TRIBAL #33-09-08
SECTION 33, T4S, R3W, U.S.B.&M.

1942' FSL 165' FEL

FIGURE #1



SCALE: 1" = 30'
DATE: 12-16-02
Drawn By: D.R.B.

3

4

Sta. 2+00



Sta. 1+00

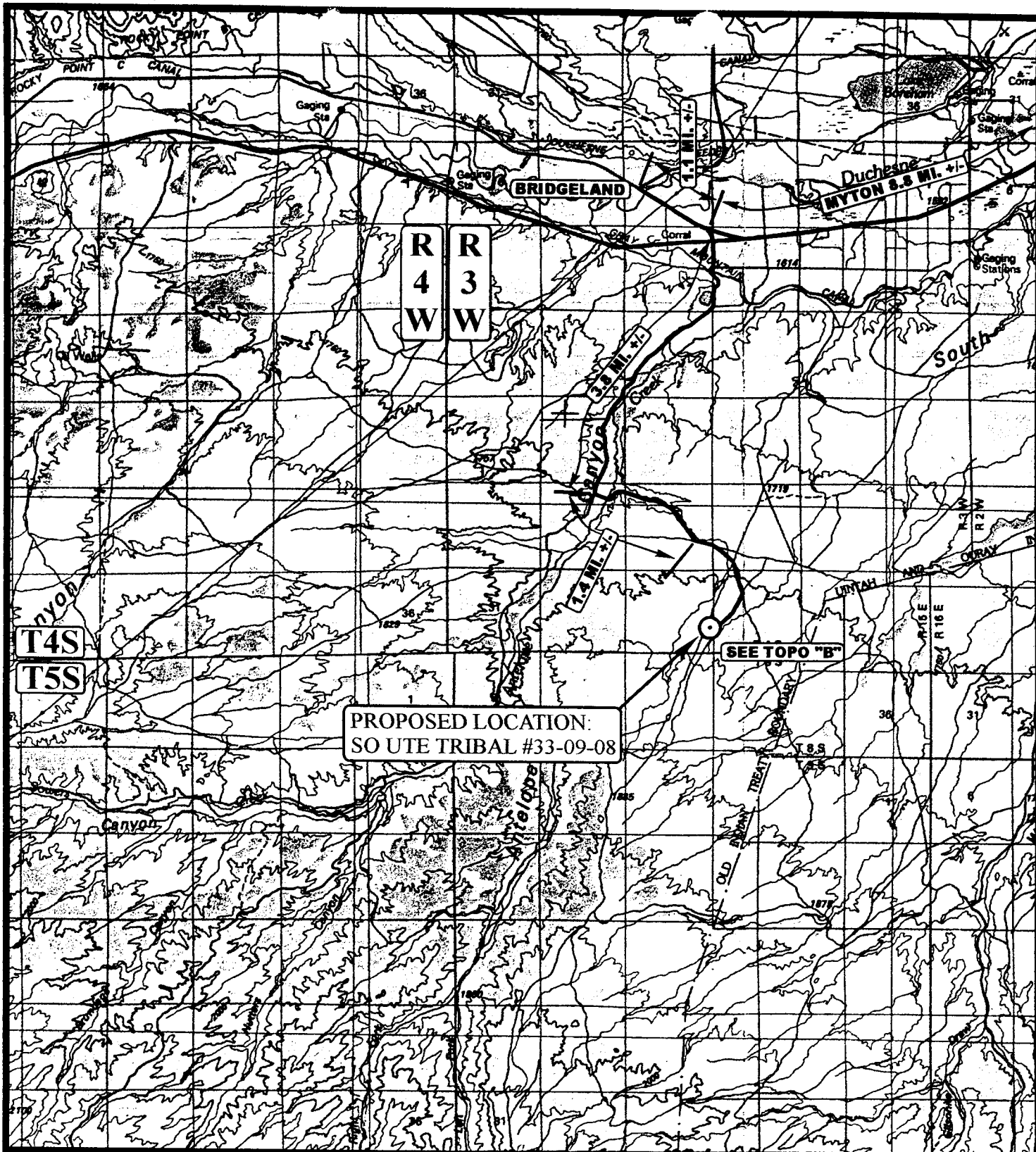
Sta. 0+00

2

1

Elev. Ungraded Ground at Location Stake = 5838.1'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



PROPOSED LOCATION:
SO UTE TRIBAL #33-09-08

LEGEND:

○ PROPOSED LOCATION



PETROGLYPH OPERATING CO., INC.

SO UTE TRIBAL #33-09-08

SECTION 33, T4S, R3W, U.S.B.&M.

1942' FSL 165' FEL



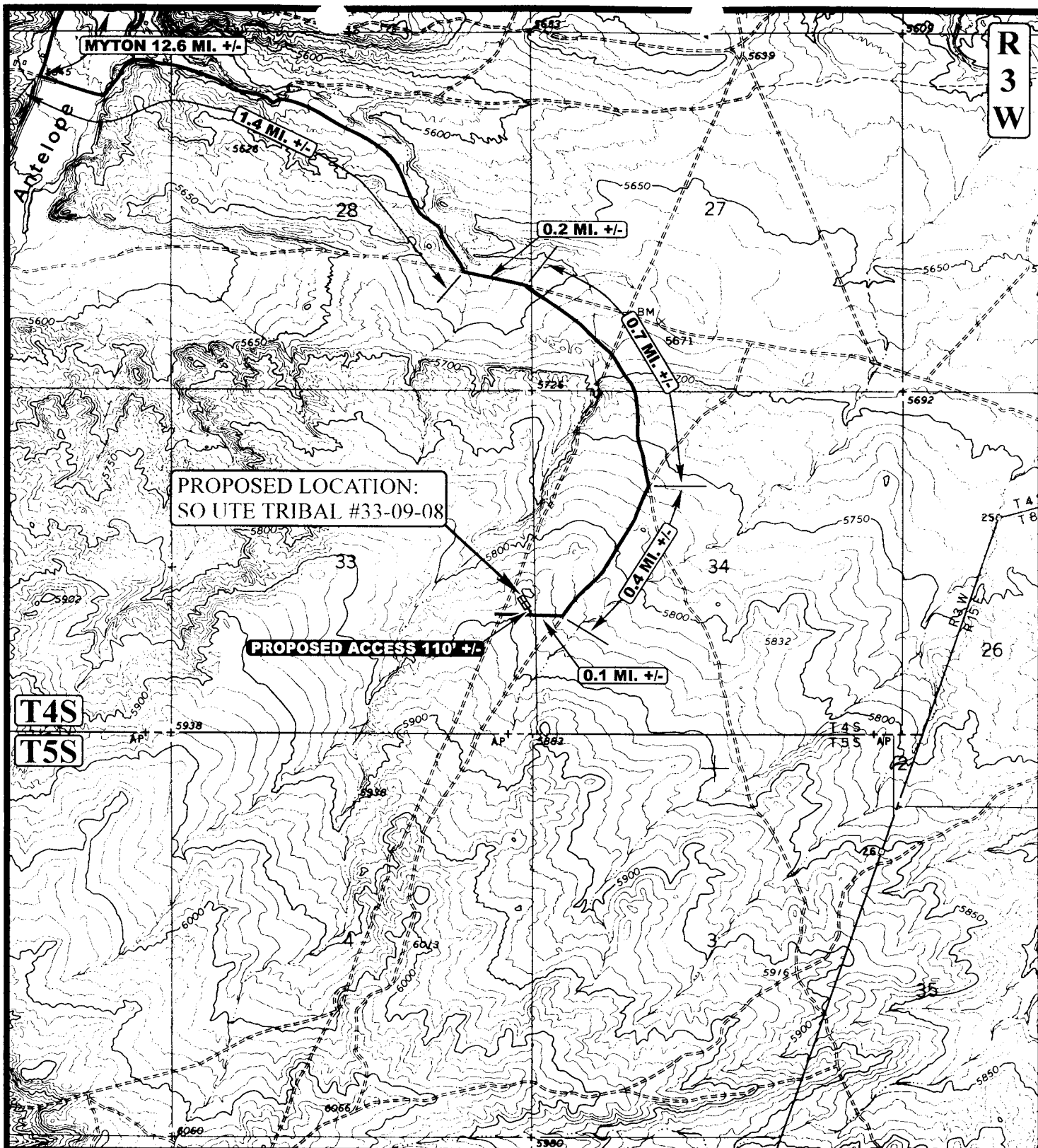
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12 13 02
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00

A
TOPO



LEGEND:

----- PROPOSED ACCESS ROAD
 ————— EXISTING ROAD



PETROGLYPH OPERATING CO., INC.

SO UTE TRIBAL #33-09-08
SECTION 33, T4S, R3W, U.S.B.&M.
1942' FSL 165' FEL



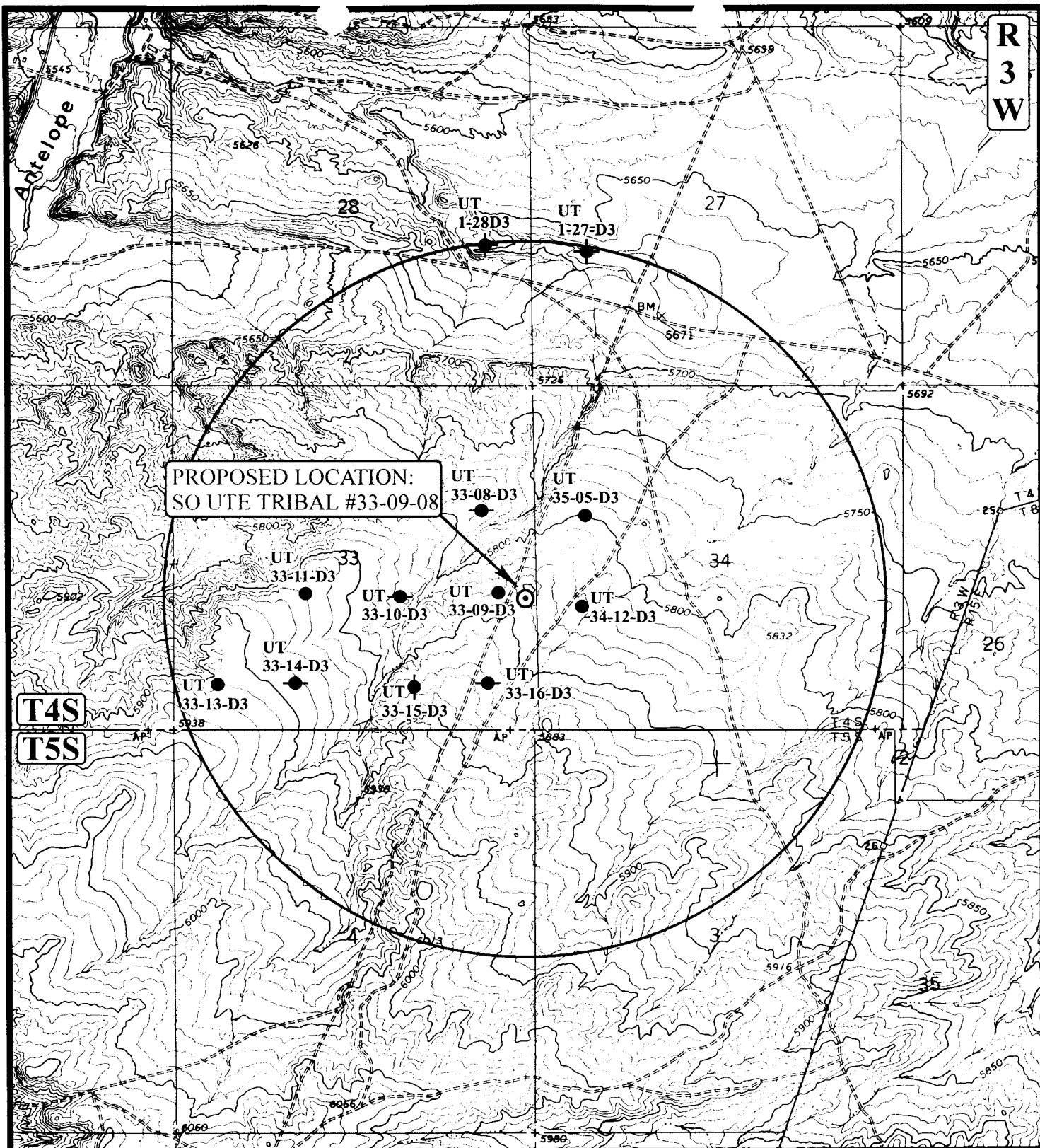
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12 13 02
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

B
TOPO



PROPOSED LOCATION:
SO UTE TRIBAL #33-09-08

T4S
T5S

LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

PETROGLYPH OPERATING CO., INC.

SO UTE TRIBAL #33-09-08
SECTION 33, T4S, R3W, U.S.B.&M.
1942' FSL 165' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12 13 02
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

C
TOPO

006

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/25/2003

API NO. ASSIGNED: 43-013-32432

WELL NAME: SO UTE TRIBAL 33-09-08

OPERATOR: PETROGLYPH OPERATING CO (N3800)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NESE 33 040S 030W

SURFACE: 1942 FSL 0165 FEL

BOTTOM: 1942 FSL 0165 FEL

DUCHESNE

ANTELOPE CREEK (60)

LEASE TYPE: 2 - Indian

LEASE NUMBER: 14-20-H62-4736

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: UNTA

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.09003

LONGITUDE: 110.21808

RECEIVED AND/OR REVIEWED:

- ☒ Plat
☒ Bond: Fed[] Ind[2] Sta[] Fee[]
 (No. BO 4556)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
 (No. 43-10152)
☒ RDCC Review (Y/N)
 (Date:)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit _____

___ R649-3-2. General)

Siting: 460 From Qtr/Qtr & 920' Between Wells

☒ R649-3-3. Exception

___ Drilling Unit

Board Cause No: _____

Eff Date: _____

Siting: _____

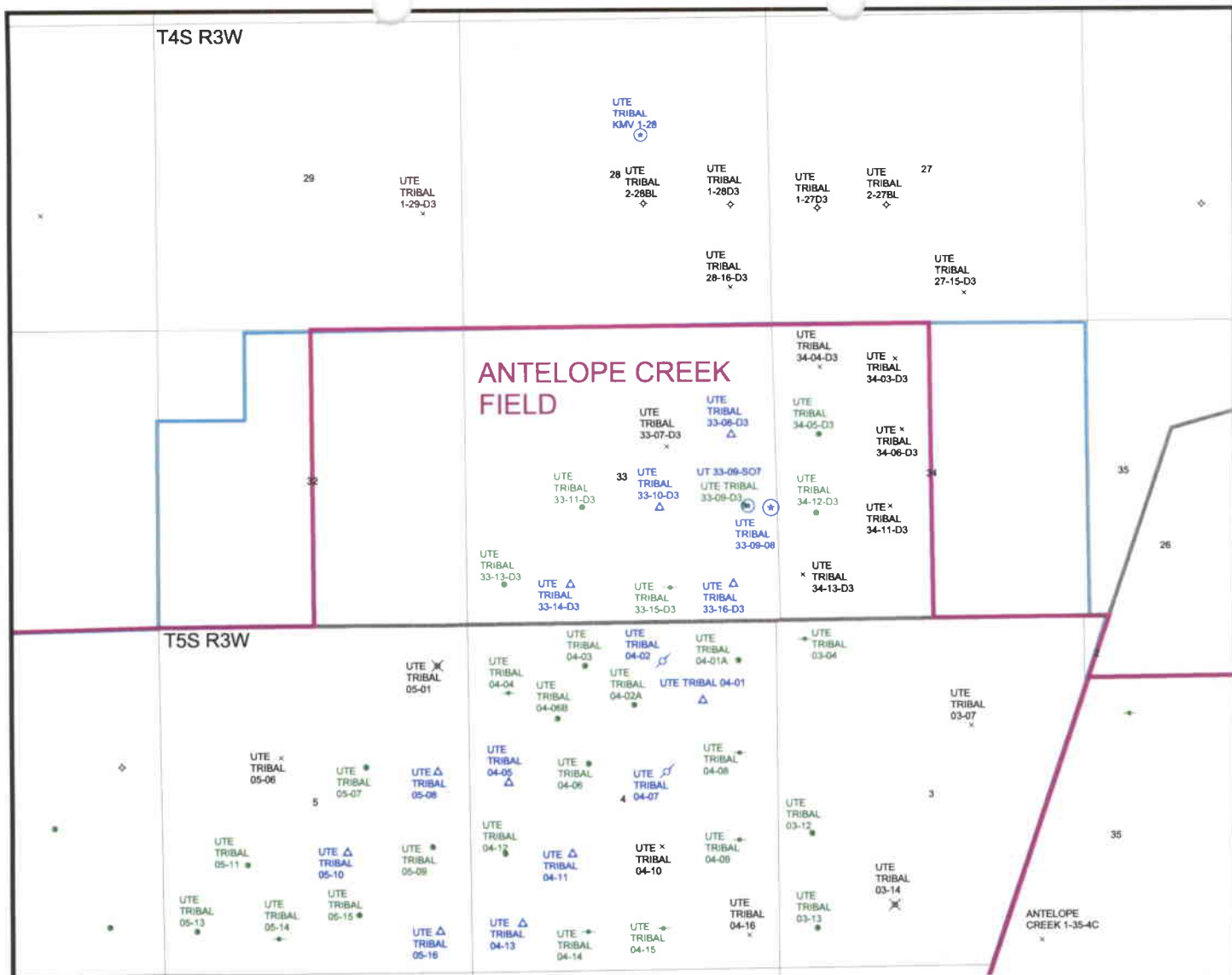
___ R649-3-11. Directional Drill

COMMENTS:

Needs Permit (Recd 3/17/03)

STIPULATIONS:

1- Federal approval2- Spacing stip3- STATEMENT OF BASIS



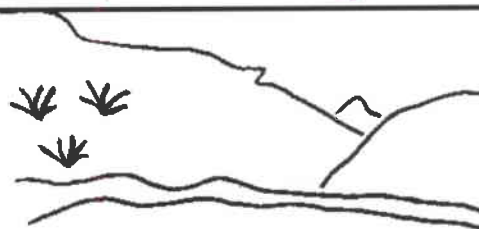
OPERATOR: PETROGLPH OPERATING (N3800)

SEC. 33 T4S, R3W

FIELD: ANTELOPE CREEK (60)

COUNTY: DUCHESNE

SPACING: R649-3-3 / EX LOCATION



Utah Oil Gas and Mining

WELLS

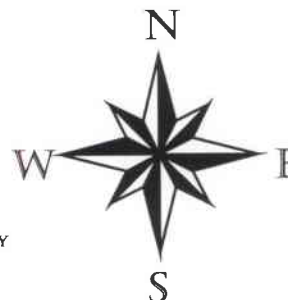
- GAS INJECTION
- GAS STORAGE
- × LOCATION ABANDONED
- ⊙ NEW LOCATION
- ◇ PLUGGED & ABANDONED
- ★ PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- × TEMP. ABANDONED
- TEST WELL
- △ WATER INJECTION
- ◆ WATER SUPPLY
- ⚡ WATER DISPOSAL

UNIT STATUS

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

FIELD STATUS

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- COUNTY BOUNDARY
- SECTION LINES
- TOWNSHIP LINES



PREPARED BY: DIANA MASON
DATE: 27-FEBRUARY-2003

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: Petroglyph Operating Co. Inc.
WELL NAME & NUMBER: So Ute Tribal 33-09-08
API NUMBER: 43-013-32432
LOCATION: 1/4,1/4 NE/SE Sec: 33 TWP: 04S RNG: 03W 1942 FSL 165 FEL

Geology/Ground Water:

The mineral rights at this location are owned by the Ute Indian Tribe. The BLM will evaluate and approve the proposed casing and cementing program.

Reviewer: Brad Hill **Date:** 03-18-03

Surface:

An onsite of the surface area was done by the Roosevelt Field Office to address surface issues and take input from interested parties. Alton Moon was shown as the landowner of record and invited to onsite meeting on 03/10/03 at 8:00 AM by telephone. He did not attend the meeting. Ed Trotter and Steve Wall did attend and represented Petroglyph. They did not request a pit for drilling because of the shallow nature of hole and size of rig, but instead stated they'd use steel tanks for containment of drilling fluids and any formation cuttings. It was noted that this well is not a legally spaced well and the second well permitted in this qtr/qtr into same target formation. The state has already permitted the 33-09-S07 and was drilled to approximately 900 feet and abandoned. Petroglyph left a fish in that hole and have not plugged nor fished out the drilling tools. That well is on an existing producing location into the green river formation (the Ute Tribal 33-09-D3).

Reviewer: Dennis L. Ingram **Date:** March 17, 2003

Conditions of Approval/Application for Permit to Drill:

1. The 33-09-S07 well shall be plugged prior to drilling the proposed well.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Petroglyph Operating Company, Inc.
WELL NAME & NUMBER: So Ute Tribal 33-09-08
API NUMBER: 43-013-32432
LEASE: FEE/INDIAN FIELD/UNIT: Antelope Creek
LOCATION: 1/4, 1/4 NE/SE Sec: 33 TWP: 04S RNG: 03E 1942 FSL 165 FEL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.
GPS COORD (UTM): X =12566565E; Y =4438046 N SURFACE OWNER: Alton Moon

PARTICIPANTS

Dennis Ingram (DOGM) Ed Trotter (Consultant) Steve Wall (Petroglyph)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Location proposed approximately 5.0 miles south of US Highway 40 accessed from Bridgeland turnoff up Sowers Canyon, and out on north sloping broad ridge (Gilsonite Ridge) on northern end of existing Antelope Creek Oil Field in traditional sheep range.

SURFACE USE PLAN

CURRENT SURFACE USE: Grazing and wildlife use area

PROPOSED SURFACE DISTURBANCE: 0.1+ miles of new access road in from south plus location measuring 100'x 200' (no onsite pits were requested)

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: See GIS data base

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Placed on location.

SOURCE OF CONSTRUCTION MATERIAL: Native cut and fill using borrowed material.

ANCILLARY FACILITIES: None requested.

WASTE MANAGEMENT PLAN:

Submitted to the division with Application to Drill

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: N/A

FLORA/FAUNA: Black sage, native grasses, prickly pear cactus. Antelope, mule deer, elk, mountain lion, coyote, rabbit, bobcat, fox, prairie dog, sage grouse and smaller animals and insect life.

SOIL TYPE AND CHARACTERISTICS: Light tan sandy loam

SURFACE FORMATION & CHARACTERISTICS: Uinta

EROSION/SEDIMENTATION/STABILITY: Minor erosion, some sedimentation, no stability problems anticipated.

PALEONTOLOGICAL POTENTIAL: None observed during onsite visit.

RESERVE PIT

CHARACTERISTICS: No pit was requested or permitted (will use tanks).

LINER REQUIREMENTS (Site Ranking Form attached): N/A

SURFACE RESTORATION/RECLAMATION PLAN

To original condition or according to landowner agreement.

SURFACE AGREEMENT: Yes

CULTURAL RESOURCES/ARCHAEOLOGY: Block survey was done by Truedales on entire section according to operator.

OTHER OBSERVATIONS/COMMENTS

Surface slopes to north and west and has small knoll on northern end of location. We already have existing well that was permitted to this depth with fish in.

ATTACHMENTS

Photos of this location were taken and placed on file.

Dennis L. Ingram
DOGM REPRESENTATIVE

03/11/03 9:30 am
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>0</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>0</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score _____ (Level _____ Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.













United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, Utah 84078-2799

<http://www.blm.gov/utah/vernal>

Phone: (435) 781-4400

Fax: (435) 781-4410

IN REPLY REFER TO:

3160

UT08300

December 12, 2003

Petroglyph Operating Co. Inc.
P. O. Box 607
Roosevelt, Utah 84066

Re: Well No. SO Ute Tribal 33-09-08
NESE, Sec. 33, T4S, R3W
Duchesne County, Utah
Lease No. 1420-H62-4736
Antelope Creek 4650

Gentlemen:

The Application for Permit to Drill the above-referenced well is being returned unapproved. The State of Utah will not concur with the spacing of two wells in the same Qtr/Qtr.

If you have any questions concerning this matter, please contact Ed Forsman of this office at (435) 781-4490.

Sincerely,

Leslie Walker
Legal Instruments Examiner

cc: UDOGM

RECEIVED
DEC 22 2003
DIV. OF OIL, GAS & MINING



State of Utah

Department of
Natural ResourcesROBERT L. MORGAN
*Executive Director*Division of
Oil, Gas & MiningLOWELL P. BRAXTON
*Division Director*OLENE S. WALKER
*Governor*GAYLE F. McKEACHNIE
Lieutenant Governor

September 8, 2004

Petroglyph Operating Company, Inc.
PO Box 607
Roosevelt, Utah 84066Re: SO Ute Tribal 33-09-08 Well, 1942' FSL, 165' FEL, NE SE, Sec. 33,
T. 4 South, R. 3 West, Duchesne County, Utah

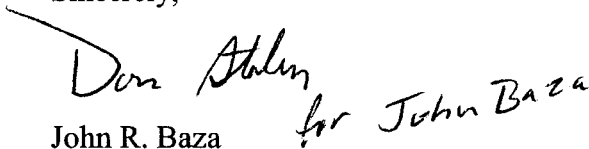
Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-32432.

Sincerely,


John R. Baza
Associate Director
jc
Enclosurescc: Duchesne County Assessor
Bureau of Land Management, Vernal District Office

Operator: Petroglyph Operating Company, Inc.
Well Name & Number SO Ute Tribal 33-09-08
API Number: 43-013-32432
Lease: BIA-14-20-H62-4736

Location: NE SE **Sec.** 33 **T.** 4 South **R.** 3 West

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

002

State of Utah
Division of Oil, Gas & Mining
1594 West North Temple
Box 145801
Salt Lake City, UT 84114-5801

September 7, 2004

Re: Application for Exception Well Location
Proposed SO Ute Tribal 33-09-08
Township 4 South, Range 3 West
Section 33: NE/4 SE/4
Duchesne County, Utah

Petroglyph Operating Company Inc. (Petroglyph) respectfully requests administrative approval per R-649-3-3 to drill the SO Ute Tribal 33-09-08 at a location 1942' FSL & 165' FEL, NE/4 SE/4, Section 33, Township 4 South, Range 3 West, Duchesne County, Utah.

Petroglyph Operating Company Inc. holds 100% of the operating rights within a 460' radius of the requested well site.

Petroglyph respectfully requests the Division of Oil, Gas and Mining Administratively grant this application for the exceptional well location at its earliest opportunity so that drilling operations can resume.

Please direct further correspondence and approval to myself at P.O. Box 1910, Vernal, Utah 84078 , or phone me at 435-789-4120

Sincerely,



Ed Trotter, Agent

Petroglyph Operating Company Inc.

RECEIVED

SEP 08 2004

DIV. OF OIL, GAS & MINING

SURFACE USE AND RIGHT-OF-WAY AGREEMENT

Agreement entered into this June 25, 1997 by and between ELMER R. MOON AND ARWELLA P. MOON, husband and wife, whose address is East Old Highway 40, Duchesne, Utah 84021 (hereinafter "GRANTOR") and PETROGLYPH OPERATING COMPANY, INC., whose address is 6209 North Highway 61, P.O. Box 1839, Hutchinson, Kansas 67502, (hereinafter "PETROGLYPH"):

RECITALS

A. GRANTOR is the owner of all or a portion of the surface estate of lands located in Duchesne County, Utah, and more particularly described as:

Township 4 South - Range 4 West USM

Section 16: S/2 SW/4 less 5 acres SW/4 SW/4 SW/4
Section 18: W/2 SW/4
Section 21: W/2 NW/4, NE/4 NW/4

Township 4 South - Range 3 West USM

Section 28: S/2 SW/4, SW/4 SE/4
Section 29: S/2 SE/4
Section 31: E/2 SE/4
Section 33: W/2, W/2 NE/4, W/2 SE/4, NE/4 SE/4

Township 5 South - Range 3 West USM

Section 6: E/2 NE/4

Containing 1,152.64 acres, more or less.

Said lands are hereinafter referred to as the "Subject Lands";

- B. GRANTOR or GRANTOR's predecessors acquired all or part of the surface estate of the Subject Lands from the Ute Indian Tribe pursuant to 1) the Act of June 18, 1934, (48 Stat. 984), 2) the Act of March 11, 1948 (62 Stat. 72), or 3) from the United States under certain of the private entry and homestead Acts;
- C. PETROGLYPH is in the business of exploring for, developing, and producing oil and gas deposits;
- D. PETROGLYPH is the lessee of and/or owns the operating rights in numerous Indian and other oil and gas leases covering a portion of the Subject Lands and/or other lands in Duchesne County;
- E. A map depicting the Subject Lands and surrounding lands is attached hereto as Exhibit "A," which by this reference is incorporated herein;
- F. PETROGLYPH anticipates increased operations for the development and enhanced recovery of oil and gas reserves within and in proximity to the Subject Lands. These operations require access to and rights-of-way

on and over and use of the Subject Lands and the construction, maintenance and operation of well sites, power lines, natural gas delivery systems, pipelines, compressor stations and appurtenances; and

G. PETROGLYPH has permitted or is in the process of permitting the drilling, production and enhanced recovery of oil and gas wells located on the Subject Lands, and/or on other lands in Duchesne County.

NOW THEREFORE, FOR AND IN CONSIDERATION OF TEN DOLLARS (\$10.00) PAID AND THE PAYMENTS AND THE TERMS AND CONDITIONS AND COVENANTS PROVIDED HEREIN, GRANTOR grants and conveys to PETROGLYPH, its successors and assigns, easements and the right to use and occupy those portions of the Subject Lands as may be necessary (a) for oil and gas exploration, including, but not limited to, the placement of seismic lines and other exploration activities, (b) to conduct its drilling and production operations on said property, including the right to construct and maintain, rework, replace, and operate oil and gas well sites, and enhanced oil and gas recovery operations (c) to construct, entrench, maintain, operate, replace, remove, and protect pipelines for water, oil or gas with appurtenances thereto, including, but not limited to, valves, compressors, metering equipment, and cathodic equipment, (d) to construct, maintain or cover up any pits or ponds necessary for drilling operations or water storage, (e) to erect, maintain, relocate, replace or remove production Facilities, including, but not limited to, pumps, compressors, separators and treaters, and (f) to construct, maintain, relocate, or abandon roads, and in connection therewith, power and communication lines (said well sites, pipelines, appurtenances, valves, metering equipment, cathodic equipment, road and power lines being sometimes collectively called the "Facilities") in, on, over, under and through the Subject Lands to the extent of GRANTOR's ownership therein.

PETROGLYPH shall have the free right of ingress and egress in, on, over, upon, through and across said rights-of-way and easements for any and all purposes that may be necessary or incidental to the maintenance of the right-of-ways and easements with the right to use existing roads which enter GRANTOR's property for the purpose of constructing, inspecting, repairing and maintaining the Facilities and the removal or replacement of same at will, either in whole or in part, and the replacement of said pipelines with either like or different size pipe. During temporary periods, PETROGLYPH may use such portions of the property along and adjacent to said rights-of-way as may be necessary in connection with construction, maintenance, repair, removal or replacement of the Facilities and if such use causes any damages to GRANTOR's lands outside of the above described rights-of-way, PETROGLYPH shall pay GRANTOR for such damages in accordance with the provisions of the Agreement.

Where economically feasible and reasonable, PETROGLYPH will utilize a "development corridor" right-of-way approach in its development operations. PETROGLYPH is to limit disturbance to that land reasonably necessary for well drilling, development, and subsequent on-site operations and to a width no greater than 60 feet for roads and pipeline corridors.

PETROGLYPH to have and hold the above described rights and easements, together with all rights necessary to operate and maintain the Facilities from the date of written notice to GRANTOR in the form as set forth in Exhibit "B" for the term, under the conditions and for the consideration as set forth herein until such time as such rights-of-way and easements are abandoned or terminated under the terms provided herein. When PETROGLYPH intends to use and occupy any portion of the Subject Lands owned by the GRANTOR, PETROGLYPH shall give the GRANTOR written notice of surface use and easement using the form attached hereto as Exhibit "B", together with payment for the additional rights in accordance with the compensation provisions as provided below. Upon receipt of such notice, GRANTOR shall have seven (7) days within which to review the proposed surface use and notify PETROGLYPH of any objections regarding location or other concerns and offer specific reasonable alternatives or modifications to the location or other concern. PETROGLYPH will consider such alternatives and, if deemed to be reasonable and practical under the particular circumstances, will accommodate GRANTOR by modifying its place of surface use in whole or in part accordingly. PETROGLYPH agrees in the conduct of its operations upon the Subject Property to the following:

- (a) To construct the rights-of-way, drill pads and other Facilities in a prompt and workmanlike manner;
- (b) To stockpile and replace top soil and take other reasonable soil and resource conservation and protection measures on the lands covered by the rights-of-way and surface use locations and Facilities;
- (c) To take reasonable precautions to prevent fires on the lands covered by the rights-of-way and surface use locations and Facilities;
- (d) To rebuild and/or repair any road, gates, fences, or other appurtenances or improvements as may be destroyed or damaged by PETROGLYPH's activities and to build and maintain necessary and suitable crossing and drainage structures, install cattle guards with offset gates for all roads and ways that intersect the works constructed, maintained, or operated under the rights-of-way, surface use locations, and Facilities. Fence gates installed shall be of steel construction (Powder River type). Any fences installed by the GRANTOR, which cross roads granted hereunder, shall have installed, at GRANTOR's discretion, cattle guards with offset gates. Cattle guards and fence gates shall be of steel construction (Powder River type). PETROGLYPH shall have the option of supplying the gates and cattle guards, or reimbursing GRANTOR for the actual costs thereof. PETROGLYPH will grade, level and reseed areas disturbed but not used for roads or Facilities and Well Sites.
- (e) To take reasonable steps to minimize dust from vehicular use on the roads constructed hereunder;
- (f) To post "no trespassing" or other appropriate signs notifying the public that the road right-of-way and subject Property are privately owned. Such sign shall be conspicuously posted on any new roads constructed by PETROGLYPH hereunder;
- (g) To control the growth and spread of noxious weeds on and from the rights-of-way, drill pads, and other areas of the Subject Lands disturbed by PETROGLYPH. For the purposes of this Agreement, noxious weeds shall be those plants listed currently and from time-to-time on the Utah Weed Control List prepared by the Utah Department of Agriculture.

PETROGLYPH may assign the rights and easements herein granted, either in whole or in part, subject to the terms of this grant and Agreement, and such rights and easements shall be covenants running with the land and be binding upon GRANTOR, GRANTOR's heirs, assigns, legal representatives and successors in title. Upon abandonment of any of the rights-of-way or easements granted hereunder, at the request of the GRANTOR, PETROGLYPH shall execute and deliver to GRANTOR a document in recordable form evidencing said abandonment.

As full payment and compensation for the rights and easements conveyed and granted and to be conveyed and granted hereunder, including any amounts for damage to growing crops, timber and other vegetation, PETROGLYPH shall remit to the GRANTOR, in conjunction with delivery of notices of surface use and easement, payments equal to Five Hundred Dollars (\$500.00) per acre, or two (2) times the market value per acre, which ever is greater (not to exceed One Thousand Dollars (\$ 1000.00) per acre), of the lands disturbed or made subject to the uses and easement stated in the notice. Said market value shall be based upon the market value established and maintained by the Duchesne County Assessor for the property subject to the use and/or easement. GRANTOR accepts such payments in full and complete payment, settlement, compromise and satisfaction of any and all losses, liabilities, claims, damages, demands and causes of action relating to any and all injuries and damages to the surface of the land with the exception of PETROGLYPH's duty to reclaim upon abandonment of any of the easements or uses granted herein or upon termination of this Agreement.

GRANTOR reserves the right to the use and enjoyment of the Subject Land except for the purposes herein granted, but such use shall not hinder, conflict, or interfere with PETROGLYPH's surface or sub-surface rights or disturb its Facilities and operations. No road, reservoir, excavation, obstruction or structure shall be constructed, created or maintained on, over, along or within the lands occupied by any Facilities by GRANTOR or with GRANTOR's consent or acquiescence without PETROGLYPH's prior written consent, which consent shall not be unreasonably withheld.

GRANTOR hereby covenants and warrants that it is the surface owner of all of or an undivided interest in the Subject Lands, and has the legal right and authority to enter into this Agreement and grant the rights granted herein.

If, at any time during the term of this Agreement, PETROGLYPH determines that GRANTOR owns all or any portion of the mineral estate underlying the Subject Lands and that all or any portion of that mineral estate are not leased for oil, gas, and other hydrocarbons, GRANTOR agrees to lease same to PETROGLYPH on the following terms and conditions:

- (a) A three (3) year primary term and so long thereafter as there is production in paying quantities;
- (b) annual rentals of \$2.00 per net mineral acre paid up at signing; and
- (c) royalty of 16-2/3%
- (d) PETROGLYPH will provide GRANTOR, at the time of the signing of the oil and gas lease, a copy of a minerals status report identifying the minerals interest owned by GRANTOR.

The rights-of-way, easements, and surface uses granted herein are and will be issued for the full period of development and the production life of the wells, appurtenances and Facilities associated therewith, including reworking and enhanced recovery operations and resultant production. Any right-of-way that is not used for a continuous period of three years shall be deemed abandoned and terminated and shall be reclaimed as herein agreed. In the event PETROGLYPH does not exercise the rights granted herein as to any government surveyed Section (constituting 640 acres, more or less) of the subject Lands (or such smaller portion within any section if GRANTOR does not own all of the surface of such Section) for a period of ten (10) years from the date of this Agreement, this Agreement shall terminate as to that government Section or part thereof.

PETROGLYPH, its successors and assigns, shall at all times exercise reasonable care in its exploration, drilling, completion and production operations to avoid the spilling, improper disposal or release of pollutants, hazardous substances and hazardous waste in, on or under the GRANTOR's property and to comply with all relevant and applicable federal, state and local statutes and regulations, including, but not limited to, all environmental laws now in force and hereinafter enacted.

Upon the termination of this Agreement, the end of the production life of any well or abandonment of any Facilities installed, PETROGLYPH shall have the right of access to the captioned lands in order to restore such well-site, right-of-way or other surface disturbance to the approximate condition it was in prior to commencement of such surface use, so far as is reasonably possible. All reclamation shall be at the sole expense of PETROGLYPH. Said reclamation work and abandonment and plugging of wells shall be done in accordance with federal, state, county, or local laws and regulations in force at such time.

In the event of PETROGLYPH's failure to comply with any material provisions of this Agreement, GRANTOR shall provide PETROGLYPH with notice setting forth the nature of such non-compliance. If the non-compliance relates to the payment of money as set forth herein, PETROGLYPH shall have thirty (30) days

following receipt of such notice to cure such non-compliance. If the non-compliance relates to matters other than the payment of money, PETROGLYPH shall have sixty (60) days to commence, and to pursue diligently to completion, appropriate action to cure the non-compliance. In the event that PETROGLYPH fails to cure, or to commence appropriate action to cure the non-compliance within the prescribed period, GRANTOR may thereupon terminate this Agreement by giving PETROGLYPH 15 days written notice to that effect. Such termination shall not affect prior rights and easements granted PETROGLYPH, its predecessors, successors or assigns under this Agreement or under prior grants, conveyances, or Agreements. In the event of a dispute over compliance or performance under this Agreement, such dispute shall not be grounds for interruption of the performance under this Agreement by either party, nor will PETROGLYPH's operations hereunder be interrupted, delayed, or impaired during the pendency of such dispute. The parties agree to attempt to settle expeditiously all dispute(s) and objection(s) under this Agreement by mediation under the Commercial Mediation Rules of the American Arbitration Association, before resulting to arbitration. If the parties are unable by mediation to resolve or settle the dispute(s) or objection(s), the parties agree to submit such dispute(s) or objection(s) to binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association in effect at the time of arbitration.

If PETROGLYPH is delayed or interrupted in or prevented from performing any acts or obligations provided in this Agreement by acts of God, fires, weather, floods, strikes or labor troubles, breakage of machinery, inability to obtain necessary materials, supplies or labor, interruptions in delivery or transportation, insurrection or mob violence, injunction, regulations or order or requirement of Government or other disabling cause beyond its reasonable control, then and in all such cases PETROGLYPH shall, for the time being and without liability, be excused from performance of such acts or obligations during the period of such prevention, delay or disability. This Agreement and all provisions hereof shall again come into full force and effect immediately upon termination of the period of prevention, delay or disability resulting from any of the causes aforesaid. PETROGLYPH shall give GRANTOR prompt written notice of any periods of such delay or prevention together with the reason or reasons for same. Following termination of such prevention or delay, PETROGLYPH shall give prompt written notice of same to GRANTOR.

All notices under this Agreement shall be given in writing and shall be sent (a) certified mail, return receipt requested, or (b) by Federal Express, or similar overnight carrier service, to the parties at the addresses provided on page 1 of this Agreement. Notices shall be deemed effective when received. Any party may change its address for receipt of notices by sending notice of the change to the other party as provided for in this paragraph.

This Agreement and the grants and conveyances hereunder shall be binding upon the parties and their respective heirs, executors, administrators, successors and assigns. All representations, warrantys, terms, conditions and covenants contained in this Agreement shall survive execution of this Agreement and remain in full force and effect and binding on the parties. This Agreement and all rights and interests granted hereunder or pursuant hereto shall be governed by and construed in accordance with the laws of the State of Utah.

Upon execution of this Agreement, the parties agree to execute and record in the office of the Duchesne County Recorder, a Memorandum of Surface Use and Right-Of-Way Agreement sufficient to provide third parties with notice of the Agreement.

Time is of the essence in the performance of this Agreement and each and every term, covenant and obligation herein.

This Agreement and its Exhibits constitute the final written expression of the Agreement between PETROGLYPH and GRANTOR, which Agreement may not be modified except by writing signed by both PETROGLYPH and GRANTOR.

GRANTOR ELMER R. MOON AND ARWELLA P. MOON

By: Elmer R. Moon

By: Arwella P. Moon

GRANTEE PETROGLYPH OPERATING COMPANY, INC.

By: Ed Trotter
Its: Agent

ACKNOWLEDGMENT

STATE OF UTAH)

COUNTY OF DUCHESNE)

: ss.

The foregoing instrument was acknowledged before me this 25th day of June, 1997, by ELMER R. MOON AND ARWELLA P. MOON, husband and wife.

Charlotte Jensen
Notary Public
Residing in: Duchesne, UT

My Commission Expires:

5-2-98

ACKNOWLEDGMENT

UTAH
STATE OF ~~UTAH~~)

COUNTY OF DUCHESNE)

: ss.

The foregoing instrument was acknowledged before me this 25th day of June, 1997, by Ed Trotter, the Agent of PETROGLYPH OPERATING COMPANY, INC.

Charlotte Jensen
Notary Public
Residing in: Duchesne, UT

My Commission Expires:

5-2-98

Page 6

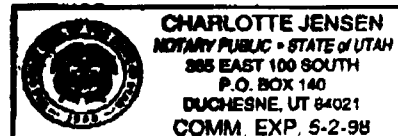
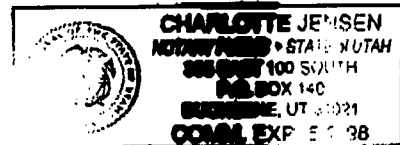


EXHIBIT A
(continued)
MAP OF DUCHESNE FIELD LANDS

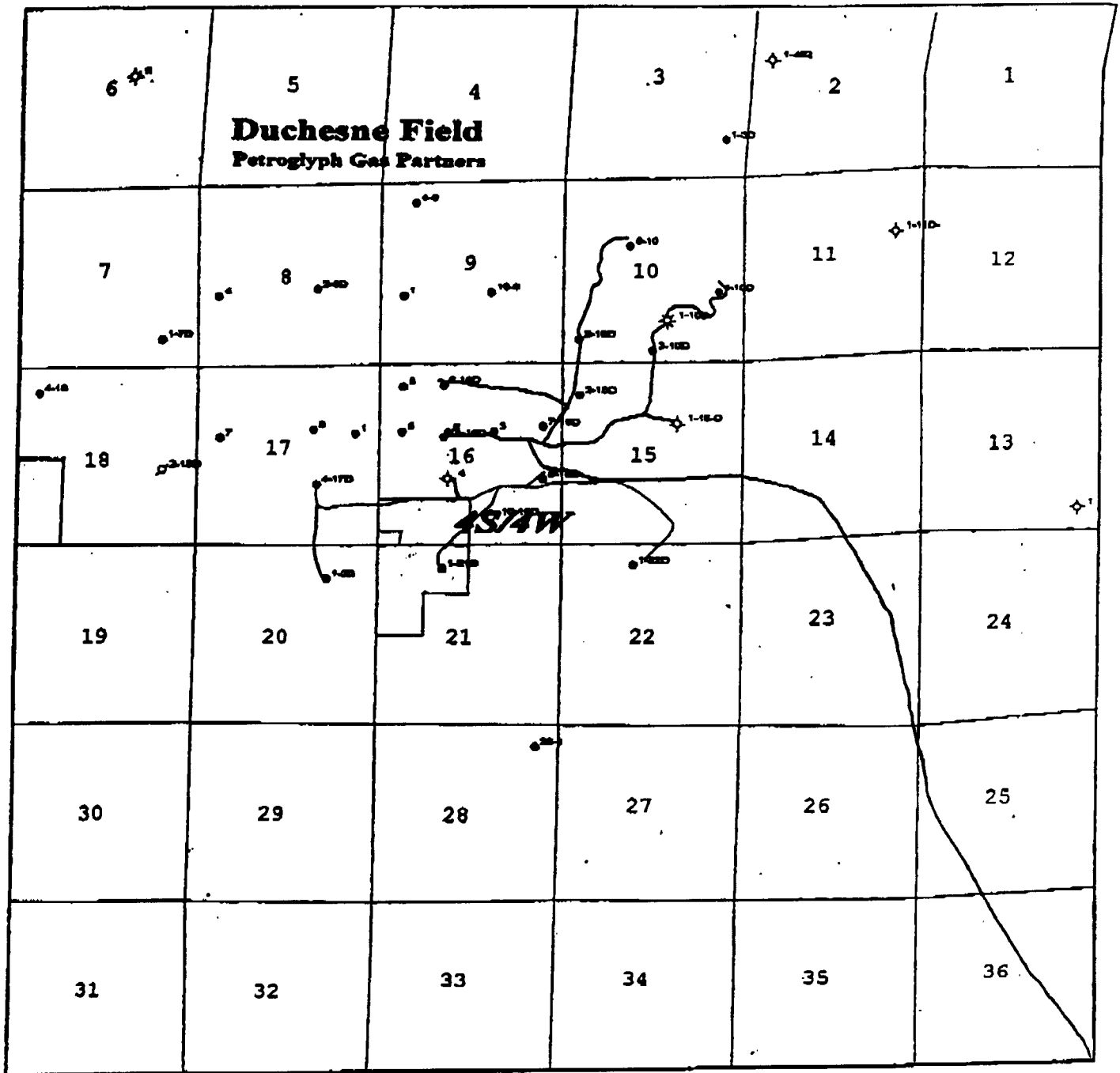
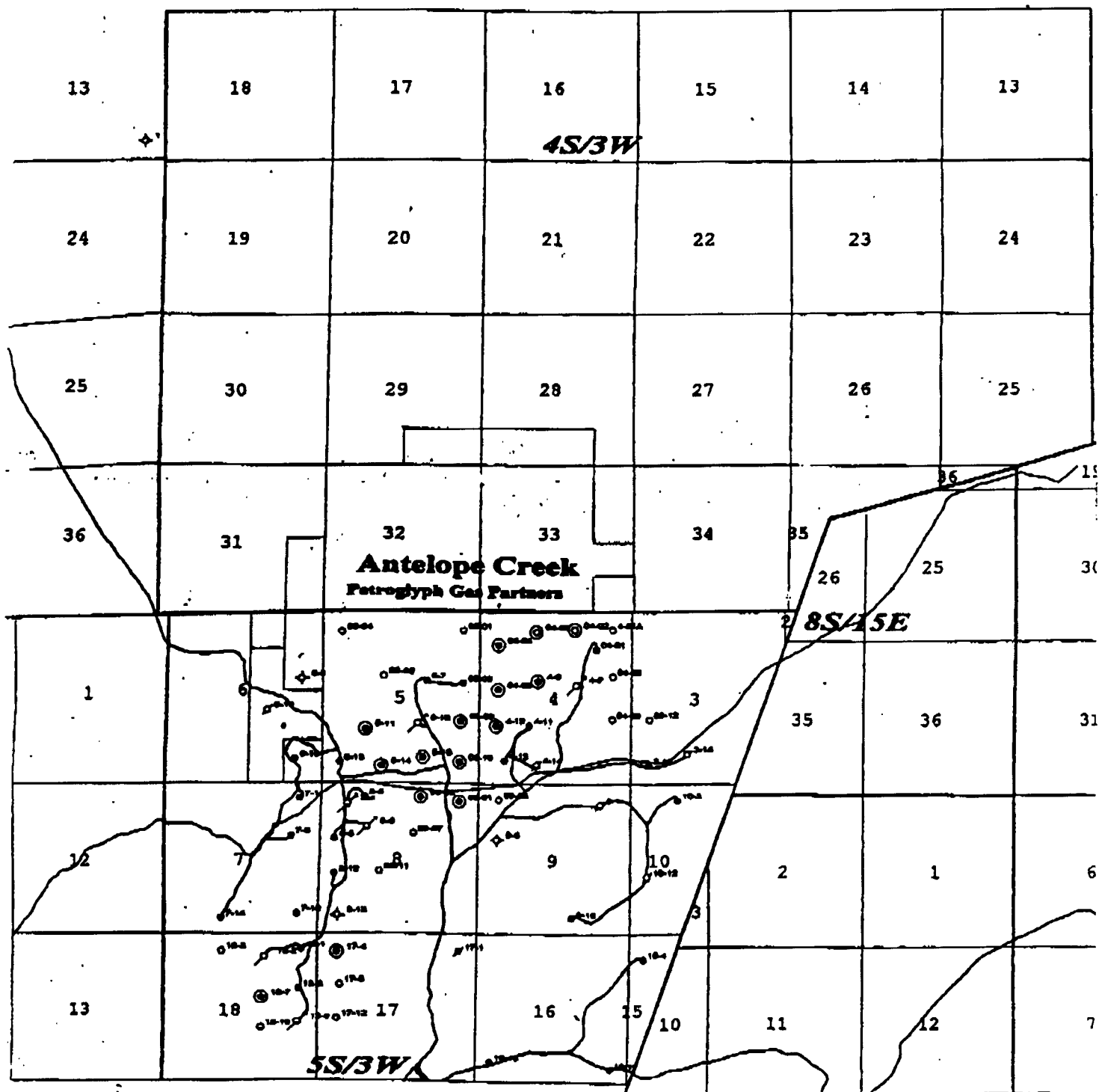


EXHIBIT A
(continued)
MAP OF ANTELOPE CREEK AREA LANDS



**MEMORANDUM OF SURFACE USE AND
RIGHT-OF-WAY AGREEMENT**

THIS MEMORANDUM WITNESSES:

THAT on the 16th day of June, 1997, between ELMER R MOON AND ARWELLA P MOON, husband and wife, whose address is East Old Highway 40, Duchesne, Utah 84021 (GRANTOR), in consideration of the covenants and agreements contained in that certain Surface Use and Right-Of-Way Agreement dated JUNE 25th 1997 (the "Agreement"), has granted and conveyed, and by these presents does hereby grant and convey to PETROGLYPH OPERATING COMPANY, INC., whose address is 6209 North Highway 61, P.O. Box 1839, Hutchinson, Kansas 67502 (GRANTEE), certain rights of surface use, rights-of-way, and easements for the exploration, development, production, and transportation of oil and gas in, on, over, through and across certain real property owned by GRANTOR and situated in the County of Duchesne, State of Utah, and more particularly described as follows:

Township 4 South - Range 4 West USM

Section 16: S/2 SW/4 less 5 acres SW/4 SW/4 SW/4

Section 18: W/2 SW/4

Section 21: W/2 NW/4, NE/4 NW/4

Township 4 South - Range 3 West USM

Section 28: S/2 SW/4, SW/4 SE/4

Section 29: S/2 SE/4

Section 31: E/2 SE/4

Section 33: W/2, W/2 NE/4, W/2 SE/4, NE/4 SE/4

Township 5 South - Range 3 West USM

Section 6: E/2 NE/4

Containing 1,152.64 acres, more or less.

Said rights and uses are granted upon and subject to all of the terms and conditions set forth in the Agreement, executed by GRANTOR and GRANTEE, which Agreement is held by and can be inspected by parties having a vested interest in the Agreement and/or subject property during reasonable business hours at the offices of GRANTOR or GRANTEE. Such uses, rights-of-way and easements are granted for the full period of development of and the production life of any of the wells, appurtenances and facilities associated therewith.

IN WITNESS WHEREOF, this Memorandum has been duly executed this 25th day of JUNE, 1997.

GRANTOR ELMER R MOON AND ARWELLA P MOON

By: Elmer R. Moon

By: Arwella P. Moon

EXHIBIT B**NOTICE OF SURFACE USE AND EASEMENT FOR RIGHT OF WAY**

PETROGLYPH OPERATING COMPANY, INC., whose address is 6209 North Highway 61 P.O. Box 1839, Hutchinson, Kansas 67502 (Grantee), hereby gives notice to _____, whose address is _____, Utah 84____, (Grantor) pursuant and subject to the terms and provisions of the Surface Use and Right-Of-Way Agreement dated _____, _____, by and between the Grantor and, of the exercise of rights granted under the Agreement, for the purposes and affecting the property and interests of Grantor as follows:

To establish a multiple use Corridor Right Of Way for the operations of the Grantee on the lands herein listed.

In, over, upon and through the following described lands in Duchesne, County, Utah:

Township	South - Range	East - USM	
Section		Use Corridor	acres m/l.
Section		Location	acres, m/l.

Said Right-of-Way and surface use to be approximately _____ ft. in length, _____ ft. in width, and containing _____ acres and more particularly described and shown on the plat attached hereto.

IN WITNESS THEREOF, PETROGLYPH OPERATING COMPANY, INC. has caused this instrument to be executed this _____ day of _____, _____.

By _____

STATE OF _____)
COUNTY OF _____) : ss.

On the _____ day of _____, _____, personally appeared before me, _____, and after being by me duly sworn did say that he/she is the _____ of PETROGLYPH OPERATING COMPANY, INC. and that said instrument was signed on behalf of said corporation by authority of its by-laws and said _____ duly acknowledged to me that said corporation executed the same.

Notary Public
Residing in _____

My Commission Expires: _____

GRANTEE PETROGLYPH OPERATING COMPANY, INC.

By: Ed Trotter
Its Agent

ACKNOWLEDGMENTS

STATE OF UTAH)

: ss.

COUNTY OF DUCHESNE)

The foregoing instrument was acknowledged before me this 25th day of June, 1997 by ELMER R MOON AND ARWELLA P MOON, husband and wife.

Charlotte Jensen

Notary Public

Residing in: Duchesne, UT

Commission Expires:

5-2-98

ACKNOWLEDGMENT

STATE OF ~~UTAH~~ UTAH)

: ss.

COUNTY OF DUCHESNE)

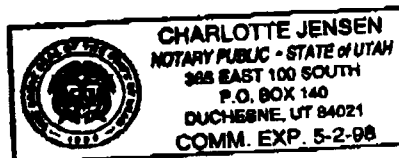
The foregoing instrument was acknowledged before me this 25th day of June, 1997 by Ed Trotter, the Agent of PETROGLYPH OPERATING COMPANY, INC.

Charlotte Jensen

Notary Public

Residing in: Duchesne, UT

My Commission Expires:

5-2-98

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

008**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK

DRILL ☒**DEEPEN** ☐

b. TYPE OF WELL

Oil

Gas

Well ☐Well ☐

Other

Single

Zone ☐

Multiple

Zone ☐

2. Name of Operator

PETROGLYPH OPERATING CO., INC.

3. Address and Telephone Number

P.O. BOX 607, ROOSEVELT, UT 84066

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At surface

1942' FSL, 165' FEL NE/SE

At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office

15.4 MILES SOUTHWEST OF MYTON, UTAHDistance from proposed location to nearest property or lease line, ft. **165'**
(Also to nearest drig. Unit line, if any)

16. No. of acres in lease

617.20

17. No. of acres assigned to this well

2.5

18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft.

19. Proposed depth

2000'

20. Rotary or cable tools

ROTARY

21. Elevations (show whether DF, RT, GR, etc.)

5838.1 FEET UNGRADED GROUND

22. Approx. date work will start

UPON APPROVAL

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 3/4"	J-55 7"	20#	1100'	230 SX NEAT CEMENT WITH 30% SILICA FLOUR
6 1/4"	J-55 4 1/2"	11.6#	2000'	270 SX NEAT CEMENT WITH 30% SILICA FLOUR

SEE ATTACHMENTS FOR:**8 POINT PLAN****SURFACE USE AND OPERATING PLAN****LOCATION PLAT****LOCATION LAYOUT****TOPOGRAPHIC MAPS "A", "B", "C AND "D"**

RECEIVED
SEP 29 2004

DIV. OF OIL, GAS, AND MINING
PETROGLYPH OPERATING CO., INC. WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER BOND #BO 4556.

Pc: UTAH DIVISION OF OIL, GAS, AND MINING**BUREAU OF INDIAN AFFAIRS, FORT DUCHESNE, UTAH**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED

TITLE **Agent**

DATE

3-30-04

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

NOTICE OF APPROVAL

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY

Assistant Field Manager

Mineral Resources

DATE

09/24/2004

APPROVED BY

CONDITIONS OF APPROVAL ATTACHED**495121A**

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Petroglyph Operating Co.

Well Name & Number: Ute Tribal 33-09-08

Lease Number: 14-20-H62-4736

API Number: 43-013-32432

Location: NESE Sec. 33 T.4S R. 3W

Agreement: 14-20-H62-4650

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered.

Report ALL water shows and water-bearing sands to John Mayers of this office **prior to setting the next casing string or requesting plugging orders.** Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No.

2 for equipment and testing requirements, procedures, etc., for a 2M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to.

The variances requested in section 6 of the 8 point drilling plan are granted with the following conditions:

If a mist system is being utilized then the requirement for an automatic ignitor shall be waived.

Where the location and rig layout allows, the bloop line shall be straight and extend 100' from the wellbore. This requirement will be waived only in the case where the location is too small to accommodate it.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.

All casing strings below the conductor shall be pressure tested to 0.22 psi/ft of casing string length or 1500 psi, whichever is greater but not to exceed 70% of the minimum internal yield.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Please submit to this office, in LAS format, an electronic copy of all logs run on this well. This submission will replace the requirement for submittal of paper logs to the BLM.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core

descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Written notification of such must be submitted to this office not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergencies, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days

following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman, Petroleum Engineer	(435) 828-7874
Kirk Fleetwood, Petroleum Engineer	(435) 828-7875
BLM FAX Machine	(435) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

Petroglyph Operating Company, Inc. (Petroglyph) employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

Petroglyph employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

At each well the pad, the pipeline and the new access road would be constructed as described in the APD for that well. Operations will be according to the landowner agreement Petroglyph has made with Elmer R. Moon and Arwella P. Moon.

Culverts and diversion ditches will be placed and constructed where needed. Road base gravel will be used where sandy soils make roadways and the drilling location hazardous for access or drilling operations.

Production waters, oil, and other byproducts shall not be placed on access roads or the well pad.

All vehicular traffic, personnel movement, construction and restoration operations will be confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

Petroglyph will control noxious weeds on the well site and ROWs. Petroglyph will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

CONFIDENTIAL

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER:

BIA 14-20-H62-4736

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

14-20-H62-4650

8. WELL NAME and NUMBER:

SO UTE TRIBAL 33-09-08

9. API NUMBER:

4301332432

10. FIELD AND POOL, OR WILDCAT:

ANTELOPE CREEK

1. TYPE OF WELL

OIL WELL ☒GAS WELL ☐

OTHER _____

2. NAME OF OPERATOR:

Petroglyph Operating Co., Inc.

3. ADDRESS OF OPERATOR:

P.O. Box 1910

CITY Vernal

STATE UT

ZIP 84078

PHONE NUMBER:

(435) 789-4120

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1942' FSL, 165' FEL

COUNTY: DUCHESNE

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 33 4S 3W U

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ NOTICE OF INTENT
(Submit in Duplicate)
Approximate date work will start:
_____☐ SUBSEQUENT REPORT
(Submit Original Form Only)
Date of work completion:
_____☐ ACIDIZE☐ ALTER CASING☐ CASING REPAIR☐ CHANGE TO PREVIOUS PLANS☐ CHANGE TUBING☐ CHANGE WELL NAME☐ CHANGE WELL STATUS☐ COMMINGLE PRODUCING FORMATIONS☐ CONVERT WELL TYPE☐ DEEPEN☐ FRACTURE TREAT☐ NEW CONSTRUCTION☐ OPERATOR CHANGE☐ PLUG AND ABANDON☐ PLUG BACK☐ PRODUCTION (START/RESUME)☐ RECLAMATION OF WELL SITE☐ RECOMPLETE - DIFFERENT FORMATION☐ REPERFORATE CURRENT FORMATION☐ SIDETRACK TO REPAIR WELL☐ TEMPORARILY ABANDON☐ TUBING REPAIR☐ VENT OR FLARE☐ WATER DISPOSAL☐ WATER SHUT-OFF☒ OTHER: Extension Request

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Petroglyph Operating Co., Inc. requests that the APD for the above well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 6-21-05

By: SENT TO OPERATOR
9-22-05
CND

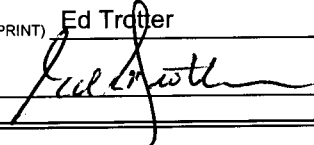
NAME (PLEASE PRINT)

Ed Trotter

TITLE

Agent

SIGNATURE



DATE

9/13/2005

(This space for State use only)

RECEIVED

SEP 14 2005

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4301332432
Well Name: Ute Tribal 33-09-08
Location: 1942 FSL, 165 FEL, NESE, Sec. 33, T4S, R3W
Company Permit Issued to: Petroglyph Operating Co., Inc.
Date Original Permit Issued: 9/8/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

9/13/2005

Date

Title: Agent

Representing: Petroglyph Operating Co., Inc.

RECEIVED
SEP 14 2005
DIV. OF OIL, GAS & MINING



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

October 6, 2006

Ed Trotter
Petroglyph Operating Co., Inc.
P.O. Box 1910
Vernal UT 84078

Re: APD Rescinded -SO Ute Tribal 33-09-08 Sec. 33 T. 4S R. 3W
Duchesne County, Utah API No. 43-013-32432


Dear Mr. Trotter:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 8, 2004. On September 21, 2005, the Division granted a one-year APD extension. On October 6, 2006, you requested that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 6, 2006.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Vernal



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

Vernal Field Office
170 South 500 East
Vernal, UT 84078
(435) 781-4400 Fax: (435) 781-4410
<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:
3160
UT08300

October 24, 2006

43-013-32432

Petroglyph Operating Co., Inc.
P.O. Box 607
Roosevelt, Utah 84066

Re: Notification of Expiration
Well No. So Ute Tribal 33-09-08
NESE, Section 33, T4S, R3W
Duchesne County, Utah *R3W*
E&D No. 14-20-H62-4736

Dear Gentlemen:

The Application for Permit to Drill the above-referenced well was approved on September 24, 2004. A one year extension was granted until September 24, 2006. Since that date no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Sandra Sather
Land Law Examiner

cc: **UBOGM**
BIA
Ute Tribe

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RECEIVED
NOV 07 2006
DIV. OF OIL, GAS & MINING